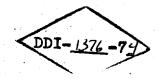
## CONFIDENTIAL



3 May 1974

MEMORANDUM FOR :

Director, Office of Scientific Intelligence

Director, Office of Economic Research

SUBJECT

Request for Research Priorities in

Nuclear Energy

- 1. During the past several months, energy-related research in support of U.S. Government policy groups has been largely limited to current "crisis" problems such as the embargo, worldwide petroleum supply and demand, the impact of higher oil prices on the international economy and international financial markets, and methods of coping with future supply disruptions.
- In the longer-range energy picture, however, the possibility of developing alternative forms of energy to reduce the world's current overwhelming dependence on oil is a key consideration in analyzing future energy markets. This aspect of the overall energy problem should be studied in a more systematic fashion, particularly in the context of the guidelines of Project Independence and the policy options it offers the U.S. Government.
- The development of longer-range alternatives to oil in the context of overall energy supply and demand involves a study of long-term market forces including alternative prices, inter-fuel competition, the possibilities of substitution, financial requirements, and the role of national energy policies. In addition, the political background is important in that national policy options affect both the demand and supply of alternates as well as their ultimate development.
- I am in the process of organizing a communitywide research effort on the role of alternative forms of energy in future energy markets. For this, I would like your offices to provide a working outline of the future role of nuclear energy in the international energy picture for the timeframe 1980-1985-1990. (by 27 may)

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Approved For Release 2005/08/03 : CIA-RDP80B01495R000500130008-8

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Key considerations for the outline would include estimates of future supply and demand -- and underlying assumptions -- the role of new technology, price trends, political considerations impacting on the market, national energy policy options, and net assessment analysis of the projected future role of nuclear energy. I would like to have this outline by May 24, so that I may organize an inter-agency committee to allocate research responsibilities.

James W. Critchfield NIO/Energy

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NIO/Energy:

- 1 D/OSI
- 1 D/OER
- 1 DDI
- 1 DDS&T
- 1 SAC/DDO
- 1 NIO/Registry
- 1 NIO/Energy